

BPR
Active List Initiative # 8

Revised 15 Jul 02

Title: Navy Foreign Military (FMS) Sales Dual Track

Description of Initiative: This initiative creates a “Dual Track” case that provides international customers access to the DoD supply system and the option of using a Commercial Buying Service (CBS) via a single FMS case -- 80 percent of the case value will be allocated to FMS purchases and the remaining 20 percent will be allocated to CBS purchases.

Required Policy Changes/Approach: This initiative is not intended to replace existing supplemental buying service procedures but to create additional customer options. FMS customers selected to participate in this test of this initiative will submit requirements via their FMS Direct Requisitioning Procedures (DRP) case. These requirements will be processed through the Department of Defense (DoD) supply system and issued if available from DoD stocks. If the items are not available for issue from DoD stocks, the Navy will electronically forward the requirement to a commercial buying service (CBS) for procurement -- this procurement is administered by the CBS, but is monitored by the Navy. The requirement passed to the CBS remains an FMS requisition for export purposes, and carries with it the FMS case export approval. The total of the FMS and CBS lines comprises the case export value.

Approved Actions: This is a “Best Practice” submitted by Navy to IPT #4. DSCA reviewed Navy’s revised Concept of Operations based on changes discussed/recommended at a meeting with Navy and DSCA in Dec 01. The test was authorized to proceed with an 80% FMS/20% CBS split. Navy was directed in Jan 02 to amend/restate the two existing cases (Netherlands and Norway). DSCA provided additional comments to Navy on its revised Concept of Operations (4 Mar 02). Navy briefed the Deputy Director, DSCA on 24 Apr 02. The amended/restated cases have been reviewed by DSCA. Test period for these cases will last one year after case implementation. Estimated completion is August 2003.

Responsible Champion: DSCA, Policy and Plans Office (Mr. Steve Harris)

Anticipated Benefits: FMS Dual Track represents a new direction in Security Assistance. FMS Dual Track will provide interested customers a single portal to DoD inventories and electronic commerce. Additional anticipated benefits include a reduction in backorders, improved FMS logistics response time, and new options for tailored FMS customer support.